

From: KathleYou@aol.com on 03/21/2005 01:12:36 AM

Subject: Truth in Lending

Ms. Johnson,

I am writing to you in regards to something that happened to my husband and I recently with a credit card company that we have done business with for over 10 years. I did a balance transfer to this particular card for a lower APR rate. A month or so after the transfer, I noticed that our rate had quadrupled from the original rate. When I notified them of the "mistake", I was told that it wasn't a mistake. They had pulled a credit report on us and something was unfavorable on it and according to their "fine print" they could raise our rate. I had no idea what was on the report and had a copy sent to us. It ended up being an error. When this happened I contacted our other credit card companies and found out that this is a common practice with all of them but when I asked what gave them the right to do it or who I could lodge a complaint with none of them could answer me. I went so far as to ask them flat out who regulated their bank charges and after 5 minutes on hold was told the OCC but then when I asked for a way to contact the OCC they had no idea. I've talked to a lot of people about this incident and they are either horrified that the credit card companies can do something like this or they tell me a similar story.

The credit card companies charges are getting more and more outrageous. They apply your payments to the lowest APR balance first even though the higher APR balance may be older. They hike rates without properly notifying the customer. If a customer makes more than the minimum payment, some companies are sending you a statement that says that you do not have to make your minimum payment the following month but your interest is still piling on.

Someone needs to put controls on these companies. They are out of control and hurting consumers.

Thank you for your time.

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